



Nova Scotia HST Rate Increase: Sales and Rentals of Non-residential Real Property

The Government of Nova Scotia increased the provincial part of the harmonized sales tax (HST) from 8% to 10% effective July 1, 2010. The HST rate in Nova Scotia effective as of that date is 15% of which 5% represents the federal part and 10% the provincial part.

This info sheet reflects tax changes included in the *Nova Scotia HST Regulations, 2010*.

This info sheet outlines the rules for the Nova Scotia HST rate increase that apply to the taxable sale or rental of real property (other than housing) in Nova Scotia. Exempt sales and rentals are not affected by the rate increase.

Refer to GST/HST Info Sheet GI-104, *Nova Scotia HST Rate Increase: Sales and Rentals of New Housing*, for information on how the rate increase applies to taxable supplies of new housing.

Sale of real property

Prior to July 2010, the HST applies at 13% to a taxable sale of non-residential real property in Nova Scotia.

Effective July 1, 2010, the HST applies at 15% to a taxable sale of non-residential real property in Nova Scotia.

Special transitional rules determine which HST rate – 13% or 15% – applies to transactions that straddle the July 1, 2010 implementation date.

Transitional rules – HST at 15%

The HST applies at the rate of 15% to a taxable sale of real property in Nova Scotia if **both** ownership and possession of the property are transferred on or after July 1, 2010.

Example 1

In January 2010, a land developer enters into a written agreement with an individual to sell a small commercial mall in Nova Scotia. Under the agreement, ownership and possession of the mall transfer to the individual in October 2010. The HST applies at the rate of 15% to the sale of the mall.

Transitional rules – HST at 13%

The HST applies at the rate of 13% to a taxable sale of real property where either ownership **or** possession (or both) is transferred before July 2010.

Example 2

In April 2010, a land developer enters into a written agreement to sell a parcel of bare land. Under the agreement, possession of the land transfers to the purchaser on June 30, 2010, and title transfers on July 5, 2010. Since possession transfers to the purchaser before July 2010, the HST applies at the rate of 13% to the sale of the land.

Rental of non-residential real property

For purposes of this info sheet, the word “lease” refers to a lease, licence or similar arrangement.

Prior to July 2010, the HST applies at 13% to a taxable lease of non-residential real property in Nova Scotia.

The HST applies at 15% to a taxable lease of real property for any lease interval that begins, or for any part of a lease interval that occurs, on or after July 1, 2010.

Special transitional rules determine which HST rate – 13% or 15% – applies to transactions that straddle the July 1, 2010 implementation date.

La version française du présent document est intitulée *Hausse du taux de la TVH de la Nouvelle-Écosse – Ventes et locations d'immeubles non résidentiels*.



To determine whether the HST applies at 13% or 15% to a lease payment for non-residential real property in Nova Scotia, the following must be considered:

- the lease interval; and
- when the consideration for the supply of the real property made by way of lease becomes due or is paid without having become due for that lease interval.

What is a lease interval?

For purposes of supplies of real property and the GST/HST, a lease interval is a period of time during which a person has the right under a lease to possess or use the property and for which a payment under the lease is attributable.

Example 3 – Hotel – rate per night

A hotel supplies accommodation to an individual for five nights at the rate of \$125 per night. The individual receives an invoice when checking out and pays \$625 for the entire stay. Since an amount is attributable to each night of accommodation, each night is considered to be a lease interval for GST/HST purposes.

There can also be overlapping lease intervals under a lease.

Example 4 – Monthly and annual lease payments

A lease for a retail store in a mall requires the tenant to make monthly lease payments of a fixed amount and an annual payment that is based on a percentage of the tenant's sales for the calendar year. In this case, in respect of the monthly payment, each month is a lease interval; while in respect of the annual payment, the calendar year is also a lease interval.

When consideration becomes due

For GST/HST purposes, in the case of a written agreement for a supply of real property made by way of lease, consideration becomes due on the day the lessee is required to pay the consideration under the agreement.

If the supply is not made under a written agreement, consideration becomes due on the earliest of the following days:

- the day the supplier first issues an invoice for the supply or the date of that invoice; and
- if there is an undue delay in issuing that invoice, the day the supplier would have issued the invoice.

When consideration is paid without becoming due

For GST/HST purposes, in the case of a supply of real property made by way of lease, consideration is paid without having become due when the lessee pays the consideration before the lessee is required to pay the consideration (e.g., payment is made before the consideration becomes due under a written agreement for the supply).

Does the HST apply at 13% or 15%?

Once the lease interval is established and it is determined when the consideration becomes due or is paid without having become due, the following rules can be applied to determine whether the HST applies at 13% or 15%. The appendix to this info sheet provides a chart that illustrates the application of the rules for taxable leases of real property.

In the following examples, all of the suppliers are GST/HST registrants and all of the supplies are taxable supplies made in Nova Scotia, meaning the supplies are subject to the HST.

Lease interval begins before July 2010 and ends before July 31, 2010

The HST applies at 13% to the consideration payable under a lease for a lease interval that begins before July 2010 and ends before July 31, 2010, regardless of when the consideration becomes due or is paid without having become due.

Example 5

The owner of a commercial building makes a supply by way of licence of space in the building to a dance studio for the period June 15, 2010 to July 15, 2010. The dance studio pays for the licence on July 10, 2010.

Since the payment is for a period (i.e., the lease interval) that begins before July 2010 and ends before July 31, 2010, the HST applies at 13% regardless of when the payment becomes due or is paid.

Example 6

A company holds a corporate golf tournament at a golf course on June 15, 2010. On July 10, 2010, the golf course operator bills the company the green fees for the golf tournament (i.e., amounts in respect of supplies of rights to use real property which are supplies of real property made by way of lease, licence or similar arrangement). The company pays the bill on July 15, 2010.

Since the green fees are in respect of an event that occurred prior to July 2010 (i.e., the lease interval is the period of time on

June 15, 2010 during which the company had the right to use the course and the lease interval begins before July 2010 and ends before July 31, 2010), the HST applies at 13% regardless of when the green fees become due or are paid.

Lease interval begins before July 2010 and ends on or after July 31, 2010

Where a lease interval begins before July 2010 and ends on or after July 31, 2010, the following rules apply:

- HST applies at 13% to any consideration that becomes due or is paid without having become due before May 2010. Certain lessees have to self-assess the additional 2% provincial part of the HST if the consideration becomes due or is paid without having become due after April 6, 2010 and before May 2010 to the extent that the consideration relates to a period that occurs on or after July 1, 2010. For more information, refer to the heading “Self-assessment of the additional 2% provincial part of the HST”.
- Where the consideration becomes due or is paid without having become due on or after May 1, 2010:
 - HST applies at 13% to the consideration that relates to the part of the lease interval that occurs before July 2010; and
 - HST applies at 15% to the consideration that relates to the part of the lease interval that occurs on or after July 1, 2010.

Example 7

A retailer enters into a written lease agreement with the owner of a commercial building to lease the building for June and July 2010. The lease payment is \$10,000 for the two-month lease period (i.e., the lease interval is two months). The agreement provides that the lease payment is due on June 1, 2010. The lease payment is paid on that day.

Since the lease interval begins before July 2010, ends on or after July 31, 2010, and the amount becomes due and is paid on June 1, 2010, the HST applies at 13% to the part of the lease payment that is attributable to June 2010 (i.e., \$5,000, which is 50% of the payment) and the HST applies at 15% to the part of the lease payment that is attributable to July 2010 (i.e., \$5,000, which is 50% of the payment).

Example 8

An individual enters into a written agreement with the operator of a marina for the right to dock the individual's boat from June 1, 2010 to August 31, 2010. In accordance with the agreement, the

individual pays a \$600 docking fee on June 1, 2010. This fee relates to the entire period covered by the agreement (i.e., the lease interval is three months).

Since the lease interval begins before July 2010, ends on or after July 31, 2010, and the amount becomes due and is paid on June 1, 2010, the HST applies at 13% to the part of the payment that is attributable to June 2010 (i.e., $1/3 \times \$600 = \200) and the HST applies at 15% to the part of the payment that is attributable to July and August 2010 (i.e., $2/3 \times \$600 = \400).

Lease interval begins on or after July 1, 2010

Where a lease interval begins on or after July 1, 2010, the following rules apply:

- HST applies at 13% to any consideration that becomes due or is paid without having become due before May 2010. Certain lessees have to self-assess the additional 2% provincial part of the HST if the consideration becomes due or is paid without having become due after April 6, 2010 and before May 2010. For more information, refer to the heading “Self-assessment of the additional 2% provincial part of the HST”.
- HST applies at 15% to the consideration that becomes due or is paid without having become due on or after May 1, 2010.

Example 9

An individual rents a parking space on a monthly basis (i.e., the lease interval is the calendar month) from the operator of a parking lot located near the individual's work. The payments are due and paid on the first day of each month. There is no written agreement and the operator issues a receipt when payment is made.

For the month of July 2010, since the lease interval begins on or after July 1, 2010, and the amount becomes due and is paid on that date, the HST applies at 15% to the payment made on July 1, 2010. This is the first payment to which the HST applies at 15% and the 15% HST applies to all subsequent payments for parking.

Example 10

A golfer pays for green fees on the day of play. The amount paid by the golfer is an amount paid for the supply of real property, specifically, the right to use real property, made by way of lease, licence or similar arrangement. There is no written agreement and the operator of the golf course issues a receipt when payment is made.

As of July 1, 2010, HST applies at 15% to the green fees paid by the golfer on the day of play.

Accounting for the GST/HST

The previous rules explained whether the HST applies at 13% or 15% to a taxable supply of real property made by way of lease. The following rules explain who accounts, and when to account, for the tax.

Where consideration becomes due or is paid before April 7, 2010

Where the consideration becomes due or is paid without having become due before April 7, 2010, the supplier accounts for the HST at 13% according to the normal rules regardless of when the lease interval begins and ends.

Where consideration becomes due or is paid after April 6, 2010 and before May 2010

Where the consideration becomes due or is paid without having become due after April 6, 2010 and before May 2010, the supplier accounts for the HST at 13% according to the normal rules. Certain lessees have to self-assess the additional 2% provincial part of the HST. For more information, refer to the heading “Self-assessment of the additional 2% provincial part of the HST”.

Example 11

A hotel supplies accommodation from August 1, 2010 to August 15, 2010 to an individual. The individual pays consideration for the accommodation on April 10, 2010, at which time the hotel records the amount as revenues in its books and records (i.e., the amount paid is not a deposit). Upon receiving the payment, the hotel sends a receipt to the individual. An invoice was not previously issued and there is no written agreement in respect of the accommodation.

In this case, the HST applies at 13% since the payment is made (i.e., paid without having become due) on April 10, 2010. The hotel must include the HST in its net tax calculation for the reporting period that includes April 10, 2010.

Example 12

An operator of a seasonal campground leases a site in the campground to an individual for the individual's personal use. In accordance with the written lease agreement, the lease payment is due on May 1, 2010 for the six-month period from May 1, 2010 to October 31, 2010. The individual pays the lease payment on April 15, 2010.

In this case, the HST applies at 13% even though the lease payment becomes due on May 1, 2010, since the lease payment is paid without having become due on April 15, 2010. The operator must include the HST in its net tax calculation for the reporting period that includes April 15, 2010.

Example 13

A golf club operator provides locker rentals for the 2010 golf season. In this case, the operator is making a supply of real property by way of lease. The operator does not use a written lease agreement but does issue invoices to golfers for the amount of the rental for the season on April 10, 2010. A golfer pays the amount on July 10, 2010.

The HST applies at 13% to the payment since the payment became due on April 10, 2010. The operator must include the HST in its net tax calculation for the reporting period that includes April 10, 2010.

Example 14

A landlord receives a prepayment of rent (not a deposit) on April 15, 2010 for leased premises. The term of the written lease agreement is from July 1, 2010 to December 31, 2010. The lease agreement specifies that the lease payment for the entire period is due on July 1, 2010.

Even though the lease interval begins on July 1, 2010, the HST applies at 13% to the prepayment since it was paid without having become due before May 2010. The landlord must include the HST in its net tax calculation for the reporting period that includes April 15, 2010.

Example 15

A farmer leases pasture land on a taxable basis from a grazing association every year for seven months from April 15 through to October 15 for use in the farmer's commercial activities. Under the written lease agreement, one lease payment is due and paid on April 15 of each year for the seven-month period.

The HST applies at 13% to the payment the farmer makes on April 15, 2010. Lease payments that become due and are paid on April 15 of subsequent years would be subject to the HST at 15%. With respect to the April 15, 2010 payment, the grazing association must include the HST in its net tax calculation for the reporting period that includes April 15, 2010.

Where consideration becomes due or is paid on or after May 1, 2010 and before July 2010

Where the consideration becomes due or is paid without having become due on or after May 1, 2010 and before July 2010, the supplier accounts for the HST according to the normal rules.

If the lessee is a GST/HST registrant, the lessee will be able to claim any eligible ITC for the provincial part of the HST according to the normal rules. For example, if the HST is payable at 15% on May 15, 2010, the lessee will be entitled to claim any eligible ITC in its net calculation for the reporting period that includes May 15, 2010, or a subsequent reporting period that is within the ITC time limitation.

Example 16

A hotel supplies accommodation to an individual from June 26 to July 5, checking out on July 6, 2010, i.e., 10 nights, at a rate of \$150 per night (i.e., each night is a lease interval). The individual pays consideration for the accommodation in full on May 15, 2010. Upon receiving the payment, the hotel records the amount as revenue in its books and records (i.e., the amount paid is not a deposit) and sends a receipt to the individual. An invoice was not previously issued and there is no written agreement in respect of the accommodation.

The HST applies at 15% to 50% of the payment made to the hotel since the amount paid for 5 of the 10 nights is attributable to lease intervals beginning on or after July 1, 2010. HST applies at 13% to the remaining part of the payment. In this case, the HST paid at 13% in respect of the first five nights and the HST paid at 15% in respect of the last five nights must be included in the hotel's net tax calculation for the reporting period that includes May 15, 2010.

Example 17

The operator of a seasonal campground leases a site in the campground to an individual for the individual's personal use. Under the written agreement, the lease payment is due on May 1, 2010 for the six-month period from May 1, 2010 to October 31, 2010 (i.e., the lease interval is six months). The individual pays the lease payment on May 10, 2010.

The HST applies at 15% on the part of the lease payment that is attributable to the period beginning on July 1, 2010 (i.e., four of the six months or 67% of the lease payment). HST applies at 13% to the remaining part of the payment (i.e., the part of the payment that is attributable to two of the six months). The HST paid at 13% and the HST paid at 15% in respect of the lease payment must be included in the operator's net tax calculation for the reporting period that includes May 1, 2010.

Example 18

An individual leases a site for their personal use in a seasonal campground from May 1, 2010 to October 31, 2010. Under the written agreement, the lease payment is \$1,000 and is due on May 1, 2010. The individual pays consideration of \$500 on April 1, 2010 and the remaining \$500 on May 1, 2010.

The HST applies at 13% to the payment made on April 1, 2010 since it is paid before May 2010. The campground operator must include this HST in its net tax calculation for the reporting period that includes April 1, 2010.

For the payment made on May 1, 2010, HST at 15% applies to the part of the lease payment that is attributable to the period beginning on July 1, 2010, i.e., four of the six months or 67% of the lease payment made on May 1, 2010 since the consideration is paid on or after May 1, 2010 and before July 2010. Therefore, \$335 (67% of \$500) is subject to the HST at 15% and \$165 is subject to the HST at 13%. The HST paid at 13% and the HST paid at 15% in respect of the lease payment must be included in the operator's net tax calculation for the reporting period that includes May 1, 2010.

Example 19

A golf course operator sells a multi-pack of green fees for the 2010 golf season to an individual for their personal use. The individual pays consideration for the multi-pack on May 1, 2010. The green fees are consideration for supplies of real property for GST/HST purposes, specifically, rights to use a golf course. Upon receiving the payment, the operator issues a receipt to the individual. An invoice was not previously issued and there is no written agreement in respect of the green fees.

The HST applies at 15% to the extent that part of the amount payable for the multi-pack is attributable to the part of the 2010 golf season that occurs on or after July 1, 2010. For purposes of determining the amount on which the HST applies at 15%, the CRA will generally take into account that part of the 2010 golf season that remains as of the date the multi-pack is sold. For example, if it can be reasonably expected (based on past seasons and/or forecasts) that the golf season ends on October 31, 2010, HST applies at 15% to the amount that is attributable to the period beginning on July 1, 2010 i.e., four months of the six-month period (May 1, 2010 to October 31, 2010) or 67% of the amount paid for the multi-pack of green fees. HST applies at 13% to the remaining part of the payment (i.e., the part of the payment that is attributable to two of the six months). The HST paid at 13% and the HST paid at 15% in respect of the green fees must be included in the operator's net tax calculation for the reporting period that includes May 1, 2010.

If the multi-pack were sold on June 1, 2010, HST would apply at 15% to the amount that is attributable to the period beginning on July 1, 2010, i.e., four months of the five-month period (June 1, 2010 to October 31, 2010) or 80% of the amount paid for the multi-pack of green fees. HST would apply at 13% to the remaining part of the payment (i.e., the part of the payment that is attributable to one of the five months).

Example 20

A ski resort operator supplies a 10 time ski pass on May 15, 2010. The pass has no expiry date and may be used, for example, in 2015. The supply of a ski pass is generally a supply of a right to use real property, i.e., the supply of real property by way of licence. Upon receiving payment of the consideration, the operator issues a receipt to the individual. An invoice was not previously issued and there is no written agreement in respect of the ski pass.

The HST applies at 15% on the total payment as the amount attributable to the period before July 2010 is negligible in comparison to the infinite length of the period that occurs on or after July 1, 2010. The HST paid in respect of the ski pass must be included in the operator's net tax calculation for the reporting period that includes May 15, 2010.

Where consideration becomes due or is paid on or after July 1, 2010

Where the consideration becomes due or is paid without having become due on or after July 1, 2010, the supplier accounts for the HST according to the normal rules.

Example 21

A landlord enters into a written agreement in January 2010 for the lease of commercial real property. The term of the lease commences August 1, 2010, and requires monthly lease payments, payable in advance, on the first of each month beginning August 1, 2010. The lease payments are paid when they become due. Each month is a lease interval and each lease payment is attributable to a period that occurs after July 1, 2010.

The HST applies at 15% to all of the lease payments. The landlord must include the HST in respect of a particular lease payment in its net tax calculation for the reporting period during which the particular lease payment becomes due and is paid.

Self-assessment of the additional 2% provincial part of the HST

Where the consideration for a taxable supply of real property made by way of lease becomes due or is paid without having become due after April 6, 2010 and before May 2010, to the extent that the consideration relates to a period that occurs on or after July 1, 2010, a lessee may be required to self-assess the additional 2% provincial part of the HST.

Self-assessment is not required when the lease interval begins before July 2010 and ends before July 31, 2010.

A self-assessment of the additional 2% provincial part of the HST is required if the lessee is a non-consumer that:

- acquires the real property for consumption, use or supply otherwise than exclusively in its commercial activities;
- uses a simplified method to calculate its net tax;
- is a charity that uses the net tax calculation for charities; or
- is a registrant selected listed financial institution.

A consumer is a particular individual who leases the real property for the individual's own personal use or consumption, or for the personal use or consumption of another individual at the particular individual's expense. A consumer does not include an individual who acquires a lease of real property for consumption, use or supply in the course of its commercial activities or in the course of making exempt supplies. This section does not apply to a consumer.

The lessee must account for the additional 2% provincial part of the HST:

- in its GST/HST return for the reporting period that includes the day the tax becomes payable if the lessee is a GST/HST registrant; or
- in any other case, by completing and filing Form GST489, *Return for Self-Assessment for the Provincial Part of Harmonized Sales Tax (HST)* and paying the amount by the end of the month following the calendar month in which the tax becomes payable.

Example 22

A small business using the Quick Method of accounting to calculate its net tax, leases space in a building from a landlord and uses the space exclusively in the course of its commercial activities. Under the written lease agreement, the lease payment is payable by the business on April 15, 2010, and covers the lease interval of May 1, 2010 to April 30, 2011. The business pays the lease payment and the HST at 13% on April 15, 2010. The business files quarterly GST/HST returns.

Since the lease payment becomes due and is paid on April 15, 2010 (during the period after April 6, 2010 and before May 2010) and the small business uses the Quick Method, the business is required to self-assess the additional 2% provincial part of the HST on the part of the lease payment that is attributable to the period beginning on July 1, 2010 and ending on April 30, 2011 (i.e., the additional 2% provincial part of the HST applies to ten months of the twelve-month lease interval or 83% of the lease payment). The small business must include the additional 2% provincial part of the HST in its GST/HST return for the reporting period that includes April 15, 2010.

Example 23

The operator of a daycare centre leases space in a building from a landlord and uses the space in the course of making exempt supplies of childcare services. Under the written lease agreement for the space, a lease payment of \$100,000 is payable by the operator on April 15, 2010, and covers the lease interval of May 1, 2010 to April 30, 2011. The operator pays \$100,000 and the HST at 13% on April 15, 2010. The operator is not a registrant for GST/HST purposes.

Since the lease payment becomes due and is paid on April 15, 2010 (during the period after April 6, 2010 and before May 2010) and the operator uses the space in the course of making exempt supplies, the operator must self-assess the additional 2% provincial part of the HST on the part of the lease payment that is attributable to the period beginning on July 1, 2010 and ending on April 30, 2011, i.e., ten months of the twelve-month lease interval or \$83,000 (83% of the \$100,000 lease payment). The operator must file Form GST489 and pay the additional 2% provincial part of the HST (2% of \$83,000 = \$1,660) by the end of May 2010.

Example 24

A charity leases a camp site for the months of July and August 2010 for use in providing a day camp for children. The charity pays \$2,000 consideration plus the HST at 13% for the lease on April 15, 2010. The written lease agreement provides that the lease payment does not become due before that date. The charity is registered for GST/HST purposes and files its GST/HST returns annually on a calendar basis using the net tax calculation method for charities.

Since the lease payment is paid without having become due on April 15, 2010 (during the period after April 6, 2010 and before May 2010) and the charity uses the net tax calculation method for charities, the charity must self-assess the additional 2% provincial part of the HST on the lease payment. The charity must include the additional 2% provincial part of the HST (2% of \$2,000 = \$40) in its annual GST/HST return for the reporting period that includes April 15, 2010 (i.e., its GST/HST return for January 1, 2010 to December 31, 2010).

Deposits

Deposits given in respect of a supply are not consideration for a supply unless and until the supplier applies the deposit as consideration for the supply or the amount is forfeited. Generally, a deposit is an amount, whether or not refundable, given by a recipient as security for the performance of an obligation by the recipient. A deposit is not a prepayment. An indication of whether an amount is a deposit or a prepayment of consideration for a supply may be determined by reference to how the supplier accounts for the receipt of funds in its books and records. An amount paid to a person as a deposit would generally not be recorded in the person's books and records as revenue until such time that the person applies the amount as a payment or the amount is forfeited.

Example 25

A hotel guest makes a deposit before May 2010 in respect of a supply of accommodation to be made by a hotel in August 2010. Upon receiving the payment, the hotel sends the guest confirmation of the reservation and receipt of the deposit. An invoice was not previously issued and there is no written agreement in respect of the accommodation. The deposit is not applied as consideration for the supply until the guest checks out of the hotel in August 2010.

The supply of accommodation is subject to the HST at 15% since the consideration becomes due and is paid after, and the lease interval begins after, June 2010.

This info sheet does not replace the law found in the *Excise Tax Act* (the Act) and its regulations. It is provided for your reference. As it may not completely address your particular operation, you may wish to refer to the Act or appropriate regulation, or contact any CRA GST/HST rulings office for additional information. A ruling should be requested for certainty in respect of any particular GST/HST matter. Pamphlet RC4405, *GST/HST Rulings – Experts in GST/HST Legislation* explains how to obtain a ruling and lists the GST/HST rulings offices. If you wish to make a technical enquiry on the GST/HST by telephone, please call 1-800-959-8287.

If you are located in Quebec and wish to make a technical enquiry or request a ruling related to the GST/HST, please contact Revenu Québec by calling 1-800-567-4692. You may also visit their Web site at www.revenu.gouv.qc.ca to obtain general information.

All technical publications related to GST/HST are available on the CRA Web site at www.cra.gc.ca/gsthsttech.

Appendix – Summary chart – taxable lease of real property

Where the consideration becomes due or is paid before April 7, 2010

Lease interval	Application of HST
Begins and ends before July 2010	HST applies at 13%
Begins before July 2010 and ends before July 31, 2010	HST applies at 13%
Begins before July 2010 and ends after July 30, 2010	HST applies at 13%
Begins and ends after June 2010	HST applies at 13%

Where the consideration becomes due or is paid after April 6, 2010 and before May 2010

Lease interval	Application of HST
Begins and ends before July 2010	HST applies at 13%
Begins before July 2010 and ends before July 31, 2010	HST applies at 13%
Begins before July 2010 and ends after July 30, 2010	HST applies at 13% Certain non-consumers have to self-assess the additional 2% provincial part of the HST
Begins and ends after June 2010	HST applies at 13% Certain non-consumers have to self-assess the additional 2% provincial part of the HST

Where the consideration becomes due or is paid on or after May 1, 2010

Lease interval	Application of HST
Begins and ends before July 2010	HST applies at 13%
Begins before July 2010 and ends before July 31, 2010	HST applies at 13%
Begins before July 2010 and ends after July 30, 2010	Pro-rate HST at 13% applies to consideration that relates to periods before July 2010; HST at 15% applies to consideration that relates to periods after June 2010
Begins and ends after June 2010	HST applies at 15%